

**REMARKS**

Reconsideration of the above-identified application in view of the foregoing amendments and following remarks is respectfully requested.

**I.      Status Of Claims**

Claims 1-8, 10-15, 17-38, 41-57, 59-63, 67 and 70-158 are currently pending in this application. Claims 1-8, 10-15, 17-38, 41-44, 46-57, 59-63, 67 and 70-73 have been amended, claims 9, 39-40, 58, 64-66 and 68-69 have been canceled, and new claims 74-158 have been added. No new matter has been added by these new claims or amendments.

**II.     Declaration Antedating Wilson, Manchester And Ryan**

Submitted herewith is a inventor's declaration under 37 C.F.R. 1.131 establishing an actual reduction to practice of the claimed invention in the United States prior to December 12, 2002, the earliest possible priority dates for Wilson, Manchester and Ryan. The Wilson priority date is apparently January 16, 2004. The earliest possible priority date for Manchester is January 7, 2004. The earliest possible priority date for Ryan is August 18, 2004.

Applicant submits that the accompanying Rule 131 Declaration clearly establishes that the inventor reduced the subject matter of at least claims 1, 2, 32, 33, 61, 62, 63, 67, 78, 110, 114, 158 and dependent claims 10-12, 15, 17-19, 23-25, 27-29, 31, 34, 41, 46-49, 51-53, 59-60, 70, 77, 86, 89-95, 97, 99, 106, 115, 125-134, 136, 139, 140-141, 143 and 152 of the present application prior to December 12, 2002. Therefore, Applicant respectfully submits that Wilson, Manchester and Ryan (each having earliest possible priority dates after December 12, 2002) are not prior art to any of the foregoing claims. Accordingly, applicant respectfully requests the rejections of the foregoing claims based on Wilson, Manchester and Ryan be withdrawn.

The attached declaration also antedates the earliest possible priority dates for the publications cited in the accompanying Information Disclosure Statement submitted the applicant. The earliest possible priority date for U.S. Patent Publication No. US2004/0127254 filed by Chang (“Chang”) is December 12, 2002 and the earliest possible priority date for U.S. Patent No. 7,454,783 to DuPouy et al. (“DuPouy”) is August 8, 2003.

### **III. Claim Rejections**

#### **A. Rejection Of Claims 1, 32 And 70-73 Under 35 U.S.C. §103(a) Based On Margalit And Wilson**

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Claims 1, 32 and 70-73 have been rejected under 35 U.S.C. §103(a) as being unpatentable over the combination of Margalit and Wilson. Applicant respectfully traverses the rejection of these claims on the following grounds.

Applicant has amended claims 1, 32 and 70-73 to clarify the present invention and respectfully submits that the invention as recited in these claims is patentably distinguished over Margalit and Wilson.

Applicant’s invention, as set forth in claim 1, is directed to a portable apparatus, comprising:

(a) a conduit for external communications configured to enable the transmission of a plurality of instructions between the portable apparatus and a terminal comprising a terminal processor, a first input component, a first output component comprising a display device, and a network interface, wherein the conduit for external communications comprises a universal serial bus conduit;

(b) a processor; and

(c) a memory configured to communicate with the processor, wherein the memory has a unique apparatus identifier and a plurality of processing instructions stored thereon, including:

- (1) a first set of processing instructions, which when executed by the terminal processor, enables the first input component to interface with the portable apparatus through an interactive user interface presented on the terminal display device and provides the portable apparatus with access to the terminal network interface; and
- (2) at least one processing instruction, which when executed by the portable apparatus processor, causes the portable apparatus processor to:
  - (i) execute a second set of processing instructions stored on the memory; and
  - (ii) effect the display of processing activity on the terminal display device;

wherein the portable apparatus is configured to communicate with the terminal and to communicate through the terminal network interface with a device.

Claim 32 is a method claim containing similar limitations to those recited in claim 1. Claims 70-73 depend from claim 32 and recite limitations directed to the conduit for external communications.

Margalit and Wilson, either alone or taken together, fail to disclose, teach or suggest (1) the functionality of the claimed portable device/method and (2) the interactivity of the claimed portable device with a terminal as recited in the pending claims. More specifically, Margalit and Wilson fail to disclose, teach or suggest (1) a portable apparatus having a memory containing a first set of processing instructions, which when executed, enables a terminal input component to interface with the portable apparatus through an interactive user interface presented on the terminal output device and provides the portable apparatus with access to the terminal network interface, (2) a portable apparatus having a memory containing at least one processing instruction, which when executed by the portable apparatus processor, causes the

portable apparatus processor to execute a second set of processing instructions from the portable apparatus memory, (3) a portable apparatus configured to effect the display of processing activity on the terminal and (4) a portable apparatus configured to communicate through the terminal network interface with a device.

In the first embodiment illustrated in Figure 1, Margalit discloses a conventional memory stick having a processor which functions as a delegate to and acts on instructions provided by the terminal. As expressly stated in Margalit, when this portable storage device is coupled to a terminal, the terminal (host 20) instructs the on-board processor (microprocessor 30) to read or write data on the portable device memory using the same terminal system commands as it would with any other conventional mechanical disk drive (e.g., a floppy disk or a hard disk).

The USB interface chip 40 receives USB packets from the USB host 20, parses the data, and feeds the parsed data to the microprocessor 30. The microprocessor 30 writes the data to, or reads the data from, the firmware memory 50, the RAM 60 or the user's data memory 70, using each memory's protocol.

In read operation, the microprocessor 30 passes that data to the USB interface chip 40 which wraps the data in USB packet format and passes it to the host 20. Col. 3, Ins. 6-13 (emphasis added).

In the second embodiment illustrated in Figure 2, Margalit discloses a conventional memory stick having a smart card reader and smart card chip. As with the first embodiment discussed above, Margalit discloses that the processor in the second embodiment (microprocessor 130) acts on instructions provided by the terminal (host 120) to facilitate the transfer of data between the terminal and the smart card chip 170.

The USB interface chip 140 gets USB packets from the USB host 120. The USB interface chip 140 parses the data and passes it to the microprocessor 130. The data, which typically comprises a ISO7816-3 T=0/1 formatted package, is passed by the microprocessor 130 to the smart-card 170 in a ISO7816-3 protocol.

The microprocessor 130 gets the response from the smart card 160 and passes the data to the USB interface chip 140. The USB interface chip 140 wraps the data in USB packet format and passes it to the host 120. Col. 3, lns. 33-41 (emphasis added).

This flow of data also applies for security functions provided by the smart card chip 170. As explained in Margalit, the security functions performed by smart chip 170 (e.g., encryption, authentication and access control) are all based on the receipt of communications from the terminal.

Preferably the apparatus also includes a microprocessor operative to receive said USB communications from the USB interface, to perform computations thereupon and to provide results of the computations to the data storage unit for storage and/or for encryption and/or for authentication and/or for access control. Col. 1, lns. 60-65 (emphasis added).

Accordingly, Margalit discloses a memory stick having a processor which acts as a delegate, liaison or slave under the control of the USB host and which merely responds to communications from the USB host.

Contrary to the Examiner's assertion, one of ordinary skill in the art would not understand that any information derived from USB descriptor information obtained from the memory stick in Margalit constitutes processing instructions from the portable apparatus memory that are executed by the USB host in connection with authentication, encryption or access control functions. As clearly explained in Margalit, these security functions are performed by the smart chip residing on the portable device and are responsive to communications received from the USB host. Accordingly, Margalit fails to disclose, teach or suggest a portable apparatus having the functionality recited in the pending claims where the

portable apparatus executes instructions stored on the portable apparatus memory to effect activity by the terminal and portable device processor.

Wilson is directed to a portable storage device for storing and retrieving data from a central computer system. Wilson discloses that a portable storage device 102 is adapted to interface with a reader/writer device 104 which, in turn, is coupled to a computer system 106. Each of the reader/writer device 104 and the computer system 106 include dedicated input and output devices which operate in connection with their respective central processing unit and memory. For example, Wilson discloses in Paragraph 35 that:

Reader/writer device 104 includes a central processing unit (CPU) 110, a portable storage device (PSD) interface 112, a computer system (CS) interface 114, input devices 116, output devices 118, and a memory 120 coupled together via bus 122 over which the various elements may interchange data and information.

In Paragraph 37, Wilson goes on to identify various types and functions of input and output devices 116, 118 which may be used with the reader/writer device 104 to enter and verify user authorization and authentication information.

Input devices 116, e.g., keypads, keyboards, touch displays, biometric readers, etc., are used to enter data/information used in making decisions regarding authentication, authorization, information retrieval access, and information writing access. Information entered through input devices 116 may include a PIN entered by the cardholder (e.g., head of household) of the portable storage device (e.g., smart card) 102, biometric identify information obtained from the holder of the portable storage device (e.g., smart card) 102, and/or a service provider identity number or identity type entered by the service provider. In some embodiments, identity information, e.g., an identity number and/or biometrics pertaining to a patient, may be input through input devices 116. The cardholder and the person receiving the healthcare-related service need not be the same person, e.g., the cardholder may be a parent and the patient may be a dependent child. Output devices 118, e.g., displays, printers, speakers, etc.,

output instructional commands and/or messages to the user, e.g., insert card, enter PIN, access granted, access denied, individual positively identified, etc.

Wilson includes a similar disclosure with regard to the configuration and operation of the computer system 106 which contains the user's medical data/information. Paragraph 40 describes the configuration of the computer system 106 including its dedicated input and output devices 138, 140.

Computer system 106 includes a CPU 132, a reader/writer interface 134, a database interface 136, input devices 138, output devices 140, and a memory 142 coupled together via bus 144 over which the various elements can interchange data and information. Memory 142 includes routines 146 and data/information 148. Routines 146 include a communications module 150 and an applications module 152. CPU 132, e.g., a processor, executes the routines 146 and uses the data/information 148 in memory 142 to operate the computer system 106.

In Paragraph 42, Wilson identifies specific input and output devices 138, 140 which may be used by the service provider to enter and display a user's medical data/information.

Input devices 138 may include, e.g., keypads, keyboards, touch displays, a computer mouse, etc. Input devices 138 may be used by the service provider [sic, provider] to interface with the routines 146, to control other input devices 138 and to control output devices 140. Input devices 138 may include medical instrumentation devices with computer interfaces, e.g., a heart monitoring device, a blood testing device, etc.; these input devices 138 may be used to obtain additional medical related data and information on an individual. Output devices 140, e.g., displays, printers, strip recorders, speakers, etc., may output data and information which has been retrieved from PSD 102 and/or network database 108. Output devices 140 may output processing results, e.g., test results, test images, etc. In addition, output devices 140 may output accounting, administrative, or management type healthcare related data/information, e.g., billing information, appointments, etc.

Wilson further discloses that computer system 106 may also include a database interface 136 such that the user medical data/information 148 stored on the memory of computer system 106 may also be maintained in a remote network database 108 and/or secure central data repository 154.

Database interface 136 is an interface allowing to [sic, the] network database 108 to be coupled to computer system 106 via link 107. In some embodiments, the database interface 136 is a local network interface. In other embodiments, e.g., where the network database 108 is located [at] a remote site, the database interface may include a modem which may provide an Internet interface. [Paragraph 0041]

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Exemplary system 100 optionally includes a (secure) central data repository 154 coupled to computer system 106 via link 156. In some embodiments, encrypted health data/information may be transmitted over link 156 to (secure) central data repository 154. [Paragraph 0047]

Applicant respectfully disagrees with the Examiner's characterization that these disclosures in Wilson describe interaction between the portable storage device 102 and the input devices, output devices or network interface of either the reader/writer device 104 or computer system 106. Specifically, contrary to the Examiner's assertion, Wilson fails to disclose, teach or suggest that (1) the computer system 106 input and output devices 138, 140 interface with the portable storage device 102 or (2) the portable storage device 102 is provided access to the computer system database interface 136. As clearly provided in Wilson, the portable storage device 102 merely stores a compilation of personal data/information entered into the computer system data/information memory module 148 which is accessible through the reader/writer device 104 upon successful user verification.

When portable storage device, e.g., smart card, 102 is interfaced to the reader/writer device 104, medical related information/data may be input and/or output from portable storage device 102 through reader/writer device 104 following authentication and authorization. [Paragraph 0034]

In the same manner as discussed above with regard to the portable storage device in Margalit, the processor 202 in Wilson merely functions as a liaison or delegate in facilitating the transfer of data between the portable storage device memory and the computer system database.

Furthermore, Wilson does not include any disclosure, teaching or suggestion that (1) the portable storage device 102 has a memory containing a set of processing instructions, which when executed, enables the input device 138 to interface with the portable storage device 102 or (2) the portable storage device memory includes at least one processing instruction, which when executed by the portable storage device processor effects the display of processor activity on the reader/writer output display 118.

**B. Rejection Of Claims 2-8, 10-14, 19, 23-31, 33-34, 38-39, 42-54 And 56 Under 35 U.S.C. §102(e) Based On Margalit**

Claims 2-8, 10-14, 19, 23-31, 33-34, 38-39, 42-54 and 56 have been rejected under 35 U.S.C. §102(e) as being anticipated by Margalit.<sup>1</sup> Applicant respectfully traverses the rejection of these claims on the following grounds.

Applicant has amended claims 2-8, 10-14, 19, 23-31, 33-34, 3842-44, 46-54 and 56 to clarify the present invention and respectfully submits that the invention as recited in these claims is patentably distinguished over Margalit.

Applicant's invention, as set forth in claim 2, is directed to a portable apparatus, comprising:

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<sup>1</sup> Applicant has canceled claim 39 therefore rendering the rejection of this claim moot.

- (a) a conduit for external communications configured to enable the transmission of a plurality of instructions between the portable apparatus and a terminal comprising a terminal processor, a first input component, a first output component, and a network interface;
- (b) a processor; and
- (c) a memory configured to communicate with the processor, wherein the memory has a unique apparatus identifier and a plurality of processing instructions stored thereon, including:
  - (1) a first set of processing instructions, which when executed by the terminal processor, enables the first input component to interface with the portable apparatus through an interactive user interface presented on the first output component; and
  - (2) at least one processing instruction, which when executed by the portable apparatus processor, causes a second set of processing instructions to be executed, wherein the processing activity of the second set of processing instructions is presented on the first output component;  
wherein the portable apparatus is configured to communicate with the terminal and to communicate with a device configured to communicate with the terminal.

Claim 33 is a method claim containing similar limitations to those recited in claim 2. Claims 3-8, 10-14, 19 and 23-31 depend from claim 2 and claims 34, 38, 42-54 and 56 depend from claim 33. These dependent claims are directed to verification, authentication and encryption features of the invention, the source and functionality of the second set of processing instructions and the nature of the conduit for external communication.

As discussed above in response to the rejections of claims 1, 32 and 70-73, Margalit fails to disclose, teach or suggest (1) the functionality of the claimed portable device/method and (2) the interactivity of the claimed portable device with a terminal as recited in the pending claims. More specifically, Margalit fails to disclose, teach or suggest (1) a

portable apparatus having a memory containing a first set of processing instructions, which when executed, enables a terminal input component to interface with the portable apparatus through an interactive user interface presented on the terminal output device, (2) at least one processing instruction, which when executed by the portable apparatus processor, causes a second set of processing instructions to be executed and (3) the presentation of processing activity of the second set of processing instructions on the first output component. Margalit also fails to disclose, teach or suggest the feature in claim 2 directed to a portable apparatus configured to communicate with a device configured to communicate with the terminal.

As discussed above in response to the Examiner's rejection of claims 1, 32 and 70-73 under 35 U.S.C. §103(a) in view of Margalit and Wilson, Margalit discloses that the on-board processor 30, 130 is simply a liaison or delegate and operates in response to instructions provided by the terminal to facilitate the transfer of data between the on-board memory or smart card chip 170 and the terminal (USB host 20, 120). Similarly, the smart chip 170 performs authentication, encryption and access control security functions in response to communications provided by the USB host.

**C. Rejection Of Claims 9, 15, 17-18, 20-22, 35-37, 40-41, 55 And 57-60 Under 35 U.S.C. §103(a) Based On Margalit And Manchester**

Claims 9, 15, 17-18, 20-22, 35-37, 40-41, 55, 57-60 have been rejected under 35 U.S.C. §103(a) as being unpatentable over the combination of Margalit and U.S. Publication No. 2005/0198221 to Manchester et al. ("Manchester"). Applicant respectfully traverses the rejection of these claims on the following grounds.<sup>2</sup>

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<sup>2</sup> Applicant has canceled claims 40 and 58 rendering the rejection of these claims moot.

Claims 15, 17-18, 20-22 depend from claim 2 and claims 35-37, 40-41, 55, 57 and 59-60 depend from independent claim 33. Applicant respectfully submits that these claims are patentable over any possible combination of Margalit and Manchester for at least the same reasons set forth above in response to the rejections of claims 2 and 33 under 35 U.S.C. §102(e) based on Margalit alone.

In addition, with regard to claim and 41, Manchester fails to disclose, teach or suggest the step of executing a first set of processing instructions from the portable device memory on the terminal processor to provide the portable apparatus with access to the terminal network interface. To the contrary, Manchester simply discloses a conventional arrangement where input and output devices 161, 162, 196 and 197 are dedicated to and controlled by the computer 110. Manchester fails to include any disclosure that would lead one of ordinary skill in the art to understand that (1) input devices 161, 162 are configured to interface with the portable device through an interactive user interface presented on a terminal output or (2) the terminal network interface is configured to interface with the portable device.

Applicant further traverses the Examiner's rejection of claims 13 and 57 on the grounds that Manchester fails to disclose, teach or suggest a second set of processing instructions, which when executed by the portable apparatus processor, process files for printing. Contrary to the Examiner's assertion, Manchester merely discloses that the user may input a request to the terminal processor to print a hard copy of the network settings. Manchester is devoid of any disclosure, teaching or suggestion that the portable apparatus processor processes any processing instructions configured to process files for printing or that the portable apparatus

is configured to effect the execution of processing instructions configured to process files for printing.

**D. Rejection Of Claims 61-66 Under 35 U.S.C. §103(a)  
Based On Margalit And Wilson**

Claims 61-66 have been rejected under 35 U.S.C. §103(a) as being unpatentable over the combination of Margalit and Wilson. Applicant respectfully traverses the rejection of these claims on the following grounds.<sup>3</sup>

Applicant respectfully submits that claims 61 and 63 are patentably distinct over Margalit and Wilson for at least the same reasons set forth above in response to the rejections of claim 32 under 35 U.S.C. §103(a) based on Margalit and Wilson. Applicant further submits that claim 62 is patentably distinct over Margalit and Wilson for at least the same reasons set forth above in response to the rejection of claim 33 under 35 U.S.C. §102(e) based on Margalit.

**E. Rejection Of Claims 67-69 Under 35 U.S.C. §102(e) Based On Ryan**

Claims 67-69 have been rejected under 35 U.S.C. §102(e) as being anticipated by Ryan.<sup>4</sup> Applicant notes that in view the accompanying Rule 131 inventor declaration establishing an actual reduction to practice of the claimed invention in the United States prior to December 12, 2002, Ryan does not constitute prior art under 35 U.S.C. §102(e). Accordingly, applicant respectfully requests that this rejection be withdrawn.

**F. New Claims 78-158 Are Patentably Distinct Over The Prior Art**

Applicant respectfully submits that new claims 78-158 are in condition for allowance. With regard to claims 78-113, the prior art fails to disclose, teach or suggest, *inter*

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<sup>3</sup> Applicant has canceled claims 64-66 rendering the rejection of these claims moot.

<sup>4</sup> Applicant has canceled claims 68 and 69 rendering the rejection of these claims moot.

*alia*, a portable apparatus comprising a memory having a first set of processing instructions, which when executed, (i) presents an interactive user interface on a terminal output component, (ii) enables a terminal input component to interface with the portable apparatus through the interactive user interface and (iii) provides the portable apparatus with access to the terminal network interface.

With regard to claims 114-157, the prior art fails to disclose, teach or suggest, *inter alia*, a portable apparatus configured to provide a terminal with access to a first set of processing instructions, which when executed by the terminal processor, enables the terminal input component to interface with the portable apparatus through an interactive user interface presented on the terminal output component.

With regard to claim 158, the prior art fails to disclose, teach or suggest, *inter alia*, a portable apparatus comprising a memory having a first set of processing instructions stored thereon, which when executed by the portable apparatus processor, enables the first input component to interface with the portable apparatus through an interactive user interface presented on the first output component.

### **CONCLUSION**

Applicant requests an early and favorable examination on the merits. In the event that a telephone conference would facilitate the examination of this application in any way, the Examiner is invited to contact the undersigned at the number provided.

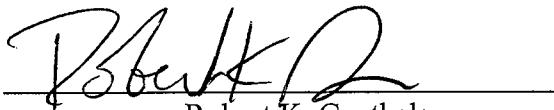
**AUTHORIZATION**

The Commissioner is hereby authorized to charge any additional fees which may be required for the timely consideration of this amendment under I 37 C.F.R. §§ 1.16 AND 1.17, or credit any overpayment to the Deposit Account No. **50-4827**, Order No. **1004294-001US**.

Respectfully submitted,  
Locke Lord Bissell & Liddell LLP

Dated: April 16, 2010

By:



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